

REMARKS

Claims 39-76 are currently pending in the subject application, and are presently under consideration. Claims 45-50 and 55-73 have been withdrawn from consideration. Claims 39-44, 51-54, and 74-76 are rejected. Claims 40, 41, and 51 have been amended. New claims 77-79 have been added. Favorable reconsideration of the application is requested in view of the amendments and comments herein.

I. Objection to Claim 41

Claim 41 has been objected to by the Examiner based on a lack of antecedent basis for the phrase "third and fourth data" (Office Action, page 4). Claim 41 has been amended to depend from claim 40, which introduces first and second data. Thus, claim 41 now has sufficient antecedent basis. Withdrawal of the objection to claim 41 is respectfully requested.

II. Rejection of Claims 39-42, 44, and 51-54 Under 35 U.S.C. §102(e)

Claims 39-42, 44, and 51-54 stand rejected under 35 U.S.C. §102(e) as being anticipated by U.S. Publication No. 2005/0063027 to Durst, et al. ("Durst"). Withdrawal of this rejection is respectfully requested for at least the following reasons.

With regard to claim 39, the Examiner asserts that the watermark of Durst corresponds to the second data bearing device recited in claim 39 (Office Action, page 5). The Examiner also asserts that Durst discloses that data stored by said second data bearing device is verifiable using data stored in said hologram, as recited in claim 39 (Office Action, page 5; citing Durst, paragraphs 59, 60, 63, 67, 68, 83-88, 92, 94, 100, and 101). Representative for Applicant respectfully disagrees. Durst discloses encoding a digital watermark into a hologram that is stored on a smart card or chip (Durst, Abstract; paragraph 20). The digital watermark is used to authenticate the hologram and/or the smart card (Durst, paragraph 20). Thus, Durst discloses that the digital watermark that is encoded into the hologram is used to authenticate the hologram itself. This differs from that which is recited in claim 39, which instead recites that the data stored in the hologram verifies the data that is stored in the second data bearing device. In other

words, Durst discloses the opposite of that which is recited in claim 39. Durst fails to disclose that the watermark is authenticated or verified by the data stored in the hologram. Therefore Durst fails to teach that data stored by a second data bearing device is verifiable using data stored in a hologram, as recited in claim 39. Accordingly, Durst fails to anticipate claim 39. Withdrawal of the rejection of claim 39, as well as claims 40-44 and 74-76 which depend therefrom, is respectfully requested.

As described above, claim 41 has been amended to depend from claim 40. The Examiner rejects claims 40 and 41 by citing the same sections of Durst as those cited to support the rejection of claim 39. However, the Examiner fails to identify specific portions of Durst that are relevant to the language of claims 40 and 41. Specifically, Durst fails to disclose that the data stored by the second data bearing device comprises first and second data, said first data being for verification of one of said first data and said image with the other, and the second data being verified by said verification, as recited in claim 40. Instead, Durst merely discloses verification of a hologram using a digital watermark, as described above with regard to claim 39. Durst further fails to disclose that a hologram stores additional data that is verified, by the digital watermark or otherwise, that is used to verify an additional set of data in the digital watermark and/or smart card. Therefore, Durst further fails to disclose that the hologram stores additional data, and that the data stored by the second data bearing device comprises third and fourth data, the third data being for verification of one of the additional data and said third data with the other, and the fourth data being verified by the verification, as recited in claim 41. Accordingly, Durst fails to anticipate claims 40 and 41. Withdrawal of the rejection of claims 40 and 41 is respectfully requested.

Claim 51 has been amended in a manner similar to claims 39 and 43. Specifically, claim 51 recites a volume reflection hologram storing data to reproduce an image of a graphic associated with a product and a second data bearing device storing data unique to the data carrier that is verifiable by the volume reflection hologram. Thus, for the reasons described above regarding claim 39, Durst fails to anticipate claim 51. In addition, in rejecting claim 43 in view of Durst, the Examiner asserts that "[i]t is well known in the holographic authentication art to

employ volume reflection holograms," and "[t]he known technique of utilizing volume reflection holograms for data carriers would have predictably resulted in making it more difficult to copy the hologram," (Office Action, page 7). However, the Examiner provides no support for these statements. Representative for Applicant respectfully submits that Durst provides no indication of the use of volume reflection holograms, or how a volume reflection hologram can be encoded with a digital watermark to achieve the aims that are described by Durst. Absent support from Durst or any other evidence, such an assertion set forth by the Examiner appears to be based solely on impermissible hindsight, such that the reasoning provided by the Examiner in rejecting claim 43 is gleaned solely from the disclosure of the Present Application, in violation of the decision in *In re McLaughlin*. *In re McLaughlin* 443 F.2d 1392, 1395, 170 USPQ 209, 212 (CCPA 1971).

Furthermore, since the Office Action cites no source for the statement that "[i]t is well known in the holographic authentication art to employ volume reflection holograms," such statement must be based upon personal knowledge. 37 CFR §1.104(d)(2) states that:

When a rejection in an application is based on facts within the personal knowledge of an employee of the Office, the data shall be as specific as possible, and the reference must be supported, when called for by the applicant, by an affidavit of such employee, and such affidavit shall be subject to contradiction or explanation by the affidavits of the applicant and other persons.

If the rejection of claim 43, and by extension claim 51, is maintained, Representative for Applicant, requests an affidavit of the Examiner to support the Examiner's statement at this time, pursuant to 37 C.F.R. §1.104(d)(2). Absent such an affidavit, Representative for Applicant respectfully submits that Durst fails to teach or suggest a volume reflection hologram storing data to reproduce an image of a graphic associated with a product and a second data bearing device storing data unique to the data carrier that is verifiable by the volume reflection hologram, as recited in claim 51, to one of ordinary skill in the art. Withdrawal of the rejection of claim 51, as well as claims 52-54 which depend therefrom, is respectfully requested.

III. Rejection of Claim 43 Under 35 U.S.C. §103(a)

Claim 43 stands rejected under 35 U.S.C. §103(a) as being unpatentable over Durst. Claim 43 recites that the hologram comprises a volume reflection hologram. For the reasons described above regarding amended claim 51, Durst fails to teach or suggest claim 43 to one of ordinary skill in the art. Withdrawal of the rejection of claim 43 is respectfully requested.

IV. Rejection of Claims 74-76 Under 35 U.S.C. §103(a)

Claim 74-76 stands rejected under 35 U.S.C. §103(a) as being unpatentable over Durst in view of U.S. Patent No. 3,858,977 to Baird, et al. ("Baird "). Claims 74-76 depend from claim 39. As described above, Durst fails to anticipate claim 39, from which claims 74-76 depend. The addition of Baird fails to cure the deficiencies of Durst to teach or suggest claims 74-76 to one of ordinary skill in the art.

In addition, the Examiner relies on Baird to disclose the elements of claims 74-76. Baird discloses applying optical interference layers having known spectral reflectance and transmittance characteristics to a substrate (Baird, Abstract). Thus, the optical interference layers can exhibit specific reflection and/or transmission profiles based on the colors of the substrate (Baird, Abstract). However, Baird fails to disclose a hologram. Thus, the layers of the optical interference materials do not reconstruct a hologram into component colors, as recited in claim 74, but instead reflect and transmit white light that is incident on them in different ways. Therefore, in contrast to the assertion by the Examiner, Baird fails to teach or suggest that the hologram is configured to reconstruct in a plurality of component colors, as recited in claim 74, to one of ordinary skill in the art. Furthermore, Baird fails to disclose anything about false coloration of components of the substrate onto which the layers are applied, and therefore likewise fails to teach or suggest that the plurality of component colors comprise false colors configured to aid identification, as recited in claim 75, to one of ordinary skill in the art. Accordingly, Durst and Baird, individually or in combination, fail to teach or suggest claims 74-76, to one of ordinary skill in the art. Withdrawal of the rejection of claims 74-76 is respectfully requested.

V. **New Claims 77-79**

New claims 77-79 depend from claim 51 and recite substantially the same elements as claims 74-76, respectively. For the reasons described above regarding claims 74-76, none of the cited references teach or suggest new claims 77-79 to one of ordinary skill in the art. Consideration and allowance of new claims 77-79 is respectfully requested.

CONCLUSION

In view of the foregoing remarks, Applicant respectfully submits that the present application is in condition for allowance. Applicant respectfully requests reconsideration of this application and that the application be passed to issue.

Please charge any deficiency or credit any overpayment in the fees for this amendment to our Deposit Account No. 20-0090.

Respectfully submitted,

Date 12 April 2010

/Christopher P. Harris/

Christopher P. Harris

Registration No. 43,660

CUSTOMER NO.: 26,294

TAROLLI, SUNDHEIM, COVELL, & TUMMINO L.L.P.
1300 EAST NINTH STREET, SUITE 1700
CLEVELAND, OHIO 44114
Phone: (216) 621-2234
Fax: (216) 621-4072